

HOUSE BILL NO. 461

INTRODUCED BY REAM, HARPER, BACHINI, D. BROWN, SPAETH,
BISHOP, O'KEEFE, THOFT

IN THE HOUSE

JANUARY 27, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON NATURAL RESOURCES.
	FIRST READING.
FEBRUARY 2, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 3, 1989	PRINTING REPORT.
FEBRUARY 4, 1989	SECOND READING, DO PASS.
FEBRUARY 6, 1989	ENGROSSING REPORT.
FEBRUARY 7, 1989	THIRD READING, PASSED. AYES, 98; NOES, 1.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 8, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK & IRRIGATION.
	FIRST READING.
MARCH 2, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 3, 1989	SECOND READING, CONCURRED IN.
MARCH 6, 1989	THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 7, 1989	RECEIVED FROM SENATE.
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SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *461*
 2 INTRODUCED BY *Ream*
 3 *Fackin* *Dave Brown* *Sparks* *Ridg* *Steff*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ENCOURAGE WATER USE
 5 EFFICIENCY PROJECTS OR PROGRAMS UNDER THE MONTANA WATER
 6 DEVELOPMENT PROGRAM; AND AMENDING SECTIONS 85-1-602 AND
 7 85-1-604, MCA."
 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 85-1-602, MCA, is amended to read:
 11 **"85-1-602. Objectives.** The department shall administer
 12 a water development program to accomplish such objectives as
 13 rehabilitation of state-owned water projects and works;
 14 promotion of private, local government, and state water
 15 development; development of water-based recreation and the
 16 protection of water resources for the benefit of
 17 agriculture, flood control, and other uses; development of
 18 offstream and tributary storage; encouragement of projects
 19 or programs that improve water use efficiency, including
 20 development of new, efficient water systems and
 21 rehabilitation of older, less efficient water systems; and
 22 development of state-tribal, state-federal, and
 23 state-tribal-federal water projects. The storage of water
 24 for existing and future beneficial uses shall be given the
 25 highest priority unless a water development project or

1 activity designed to accomplish another objective is
 2 demonstrated to be more beneficial to a greater number of
 3 people. The water development program is the key
 4 implementation portion of the state water plan and shall be
 5 administered to accomplish the objectives of the plan."

6 **Section 2.** Section 85-1-604, MCA, is amended to read:

7 **"85-1-604. Water development state special revenue**
 8 **account created -- revenues allocated -- limitations on**
 9 **appropriations from account.** (1) There is created a water
 10 development state special revenue account within the state
 11 special revenue fund established in 17-2-102.

12 (2) Except to the extent that they are required to be
 13 credited to the water development debt service fund pursuant
 14 to 85-1-603, there shall be paid into the water development
 15 state special revenue account:

16 (a) all revenues of the works and other money as
 17 provided in 85-1-332;

18 (b) 30% of the interest income of the resource
 19 indemnity trust fund as provided in and subject to the
 20 conditions of 15-38-202;

21 (c) the excess of the coal severance tax proceeds
 22 allocated by 85-1-603 to the water development debt service
 23 fund above debt service requirements as provided in and
 24 subject to the conditions of 85-1-619; and

25 (d) any fees or charges collected by the department

1 pursuant to 85-1-616 for the servicing of loans, including
2 arrangements for obtaining security interests.

3 (3) Appropriations may be made from the water
4 development state special revenue account for the following
5 purposes and subject to the following conditions:

6 (a) An amount less than or equal to that paid into the
7 account under 85-1-332 and only that amount may be
8 appropriated for the operation and maintenance of
9 state-owned projects and works. If the amount of money
10 available for appropriation under this subsection (3)(a) is
11 greater than that necessary for operation and maintenance
12 expenses, the excess may be appropriated as provided in
13 subsection (3)(b).

14 (b) An amount less than or equal to that paid into the
15 account from the resource indemnity trust account plus any
16 excess from subsection (3)(a) and only that amount may be
17 appropriated from the account for:

18 (i) the rehabilitation of state-owned projects and
19 works, including the rehabilitation of spillways of
20 state-owned dams;

21 (ii) the formulation of downstream emergency warning
22 and evacuation plans for state-owned dams;

23 (iii) the development of the hydropower potential of
24 state-owned dams;

25 (iv) assistance in the implementation of the water

1 reservations established under 85-2-316 of conservation
2 districts;

3 (v) the promotion of the development of offstream and
4 tributary storage;

5 (vi) the promotion of joint state-tribal,
6 state-federal, and state-tribal-federal water development;

7 (vii) projects or programs that improve water use
8 efficiency, including development of new, efficient water
9 systems and rehabilitation of older, less efficient water
10 systems;

11 ~~{vii}~~(viii) administrative expenses, including but not
12 limited to the salaries and expenses of personnel,
13 equipment, office space, and other necessities incurred in
14 the administration of the water development program except
15 the administration of loans and grants; and

16 ~~{viii}~~(ix) any other expenditures that meet the
17 policies and objectives of the state water development
18 program.

19 (c) An amount less than or equal to that paid into the
20 account from the sources provided for in (c) and (d) of
21 subsection (2) and only that amount may be appropriated from
22 the account for loans and grants for water development
23 projects and activities; for administrative expenses,
24 including but not limited to the salaries and expenses of
25 personnel, equipment, and office space; for the servicing of

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1 loans, including arrangements for obtaining security
2 interests; and for other necessities incurred in
3 administering the loans and grants."

4 NEW SECTION. **Section 3.** Extension of authority. Any
5 existing authority to make rules on the subject of the
6 provisions of [this act] is extended to the provisions of
7 [this act].

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB461, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An Act entitled, "An Act to encourage water use efficiency projects or programs under the Montana Water Development Program; and amending Sections 85-1-602 and 85-1-604, MCA."

FISCAL IMPACT: There is no fiscal impact.

Ray Shackleford 2/3/89
RAY SHACKLEFORD, BUDGET DIRECTOR DATE
OFFICE OF BUDGET AND PROGRAM PLANNING

Bob Ream 2/4/89
BOB REAM, PRIMARY SPONSOR DATE

Fiscal Note for HB461, as introduced

HB 461

APPROVED BY COMM. ON
NATURAL RESOURCES

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 3 *Section* *Don Brown* *Spate* *Ridg* *Steff*
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 17 agriculture, flood control, and other uses; development of
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 21 rehabilitation of older, less efficient water systems; and
 22 development of state-tribal, state-federal, and
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 24 for existing and future beneficial uses shall be given the
 25 highest priority unless a water development project or

1 activity designed to accomplish another objective is
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 3 people. The water development program is the key
 4 implementation portion of the state water plan and shall be
 5 administered to accomplish the objectives of the plan."

6 **Section 2.** Section 85-1-604, MCA, is amended to read:

7 "85-1-604. Water development state special revenue
 8 account created -- revenues allocated -- limitations on
 9 appropriations from account. (1) There is created a water
 10 development state special revenue account within the state
 11 special revenue fund established in 17-2-102.

12 (2) Except to the extent that they are required to be
 13 credited to the water development debt service fund pursuant
 14 to 85-1-603, there shall be paid into the water development
 15 state special revenue account:

16 (a) all revenues of the works and other money as
 17 provided in 85-1-332;

18 (b) 30% of the interest income of the resource
 19 indemnity trust fund as provided in and subject to the
 20 conditions of 15-38-202;

21 (c) the excess of the coal severance tax proceeds
 22 allocated by 85-1-603 to the water development debt service
 23 fund above debt service requirements as provided in and
 24 subject to the conditions of 85-1-619; and

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2 arrangements for obtaining security interests.

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7 account under 85-1-332 and only that amount may be
8 appropriated for the operation and maintenance of
9 state-owned projects and works. If the amount of money
10 available for appropriation under this subsection (3)(a) is
11 greater than that necessary for operation and maintenance
12 expenses, the excess may be appropriated as provided in
13 subsection (3)(b).

14 (b) An amount less than or equal to that paid into the
15 account from the resource indemnity trust account plus any
16 excess from subsection (3)(a) and only that amount may be
17 appropriated from the account for:

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19 works, including the rehabilitation of spillways of
20 state-owned dams;

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1 reservations established under 85-2-316 of conservation
2 districts;

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4 tributary storage;

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6 state-federal, and state-tribal-federal water development;

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11 ~~(viii)~~(viii) administrative expenses, including but not
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16 ~~(viii)~~(ix) any other expenditures that meet the
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19 (c) An amount less than or equal to that paid into the
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21 subsection (2) and only that amount may be appropriated from
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